

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

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**FINANCIAL STATEMENT  
with  
INDEPENDENT AUDITOR'S REPORT**

**YEAR ENDED JUNE 30, 2018**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Education  
Unified School District No. 225  
Fowler, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 225 and its related municipal entity, the Fowler Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2018, and the related notes to the financial statement.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

## **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

## **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

## **Other Matters**

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures and unencumbered cash – district activity funds, schedule of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts and expenditures – actual and budget for the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated March 2, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration, at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2018 (Schedules 2 and 5 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole, for the year ended June 30, 2017, on the basis of accounting described in Note A.

*Kennedy McKee & Company LLP*

September 5, 2019

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>
General funds:		
General	\$ -	\$ -
Supplemental general	377	633
	<hr/>	<hr/>
Total general funds	377	633
	<hr/>	<hr/>
Special purpose funds:		
At-risk (4-year-old)	13,353	-
Driver training	9,688	-
At-risk (K-12)	44,727	-
Bilingual	6,834	-
Capital outlay	409,719	-
Special education	42,326	-
Food service	37,169	-
Career and postsecondary education	-	-
KPERS special retirement contributions	-	-
Recreation commission	2,028	-
21st century community learning	-	-
Gifts and grants	2,563	-
Title I	-	-
Title IIA teacher quality	-	-
Title IV safe & drug free	-	-
REAP	-	-
Contingency reserve	248,209	-
Textbook and student material	5,756	-
District activity funds	9,024	-
	<hr/>	<hr/>
Total special purpose funds	831,396	-
	<hr/>	<hr/>
Bond and interest fund:		
Bond and interest	173,296	-
	<hr/>	<hr/>
Total Unified School District No. 225	1,005,069	633
Related municipal entity:		
Fowler Recreation Commission		
General	27,370	-
	<hr/>	<hr/>
Total municipal financial reporting entity (excluding agency funds)	<u>\$ 1,032,439</u>	<u>\$ 633</u>

Receipts	Expenditures	Ending unencumbered cash balance	Add encumbrances and accounts payable	Ending cash balance
\$ 1,493,831	\$ 1,493,831	\$ -	\$ 3,869	\$ 3,869
565,719	524,712	42,017	12,665	54,682
<u>2,059,550</u>	<u>2,018,543</u>	<u>42,017</u>	<u>16,534</u>	<u>58,551</u>
14,000	16,221	11,132	-	11,132
768	-	10,456	-	10,456
110,000	134,140	20,587	-	20,587
7,000	7,524	6,310	-	6,310
147,416	43,282	513,853	34,952	548,805
180,024	179,488	42,862	34,060	76,922
160,649	160,019	37,799	987	38,786
21,232	21,232	-	-	-
140,917	140,917	-	-	-
35,560	32,500	5,088	-	5,088
71,016	54,124	16,892	-	16,892
495	-	3,058	-	3,058
20,455	20,455	-	-	-
3,294	3,294	-	-	-
607	607	-	-	-
41,893	41,893	-	-	-
-	38,690	209,519	-	209,519
32,613	37,659	710	76	786
59,964	60,748	8,240	-	8,240
<u>1,047,903</u>	<u>992,793</u>	<u>886,506</u>	<u>70,075</u>	<u>956,581</u>
<u>156,871</u>	<u>149,390</u>	<u>180,777</u>	<u>-</u>	<u>180,777</u>
3,264,324	3,160,726	1,109,300	86,609	1,195,909
<u>35,702</u>	<u>30,584</u>	<u>32,488</u>	<u>-</u>	<u>32,488</u>
<u>\$ 3,300,026</u>	<u>\$ 3,191,310</u>	<u>\$ 1,141,788</u>	<u>\$ 86,609</u>	<u>\$ 1,228,397</u>

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Ending cash balance</u>
Composition of cash balance:	
Super Now account	\$ 1,120,157
Certificates of deposit	100,000
High School account	11,982
Elementary account	<u>13,788</u>
Total cash	1,245,927
Agency funds	<u>(17,530)</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 1,228,397</u></u>

The notes to the financial statement are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 225 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 225 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Fowler Recreation Commission. The Commission oversees recreational activities. Two of the five members of the governing board are appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation – Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2018.

REGULATORY BASIS FUND TYPES

General funds – the chief operating funds. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest fund – used to account for the accumulation of resources (including tax levies and transfers from other funds) and payment of general long-term debt.

Agency funds – used to report assets held by the municipal financial reporting entity in a purely custodial capacity (i.e. student organization funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no budget amendments for the year ended June 30, 2018.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for state and federal grant funds, capital project funds, agency funds and the following special purpose funds:

Gifts and Grants	Textbook and Student Material
Contingency Reserve	District Activity Funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

5. In-Substance Receipt in Transit

The District received \$36,125 subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the State Department of Education, and legal representatives of the District.

K.S.A. 10-130 requires that municipalities remit payments for any bonds or interest to the state fiscal agent at least twenty days before the date of maturity. The general obligation bond payments were not made in accordance with this statute.

The District did not make mandatory purchases of products and services offered by Kansas industries for the blind and severely disabled in accordance with K.S.A. 75-3317 through 75-3322.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

*Custodial credit risk – deposits.* Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits may not be returned to it. State statutes require the District’s deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$1,245,927 and the bank balance was \$1,304,623. Of the bank balance, \$250,000 was covered by federal depository insurance and \$1,054,623 was collateralized with securities held by the pledging financial institutions’ agents in the District’s name.

D. LONG-TERM DEBT

Changes in long-term liabilities for the year ended June 30, 2018 were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
School building bonds – Series 2009 Issued January 1, 2009 In the amount of \$1,940,000 At interest rate of 3.60 to 4.45% Maturing September 1, 2029	\$ 255,000	\$ -	\$ 80,000	\$ 175,000	\$ 8,240
Refunding bonds – Series 2016 Issued November 1, 2016 In the amount of \$1,385,000 At interest rate of 2.00-3.00% Maturing September 1, 2029	<u>1,385,000</u>	<u>-</u>	<u>20,000</u>	<u>1,365,000</u>	<u>41,150</u>
Total general obligation bonds	<u>\$ 1,640,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 1,540,000</u>	<u>\$ 49,390</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 85,000	\$ 45,890	\$ 130,890
2020	90,000	42,570	132,570
2021	110,000	39,300	149,300
2022	115,000	35,925	150,925
2023	120,000	32,400	152,400
2024-2028	695,000	102,975	797,975
2029-2030	<u>325,000</u>	<u>9,825</u>	<u>334,825</u>
Total	<u>\$ 1,540,000</u>	<u>\$ 308,885</u>	<u>\$ 1,848,885</u>

## E. DEFEASED BONDS

On November 1, 2016, the District issued \$1,385,000 in general obligation refunding bonds with interest rates ranging from 2.00% to 3.00% to advance refund \$1,320,000 of outstanding 2009 Series bonds with interest rates ranging from 3.75% to 4.45%. The net proceeds of \$1,352,644 (after payments of \$17,000 in issuance costs, \$12,465 for underwriter's discount, and \$2,891 rounding adjustment) plus an additional \$97,317 of reoffering premiums were used to purchase U.S. Government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments of the 2009 Series bonds. As a result, the refunded portion of the 2009 Series bonds are considered to be defeased and the liability for those bonds has been removed from the long-term debt footnote.

The District advance refunded the callable portion of the 2009 Series bonds to reduce its total debt service payments over the next thirteen years by \$84,644 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$75,353.

## F. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General fund	Food service fund	\$ 44,845	K.S.A. 72-5167
General fund	At-risk (4-year-old) fund	14,000	K.S.A. 72-5167
General fund	At-risk (K-12) fund	62,000	K.S.A. 72-5167
General fund	Career and postsecondary education fund	20,832	K.S.A. 72-5167
General fund	Special education fund	156,293	K.S.A. 72-5167
General fund	Bilingual fund	<u>7,000</u>	K.S.A. 72-5167
Total general fund		<u>304,970</u>	
Supplemental general fund	Food service fund	17,420	K.S.A. 72-5143
Supplemental general fund	Special education fund	20,000	K.S.A. 72-5143
Supplemental general fund	Textbook and student material fund	24,000	K.S.A. 72-5143
Supplemental general fund	At-risk (K-12) fund	<u>48,000</u>	K.S.A. 72-5143
Total supplemental general fund		<u>109,420</u>	
Total operating transfers		<u>\$ 414,390</u>	

## G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

*Other post-employment benefits.* As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

## G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

*Section 125 plan.* The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for insurance premiums, other medical costs, and child care costs. The plan is administered by an independent company. The District withholds the amounts from the employee's paycheck and remits the withholdings to the plan administrator.

*Compensated absences.* The District's policy grants employees vacation days based on contracts for certified personnel. Non-certified personnel receive ten days of vacation after completing one year of service. When certain conditions are met, accumulated vacation time is paid to the employee upon termination, retirement or resignation. Personal leave is granted at two days per year for certified and non-certified employees. Unused personal days are lost at year end.

All certified personnel receive ten days of sick leave annually. Non-certified personnel receive one day of sick leave per month of work. Unused sick days are allowed to accumulate up to sixty days for certified employees and sixty days for non-certified employees. The District retains the option to pay accumulated sick leave upon termination, retirement, or resignation. The District pays accumulated sick leave at a rate of \$25 per day.

## H. DEFINED BENEFIT PENSION PLAN

### General Information about the Pension Plan

*Plan description.* The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100; Topeka, KS 66603), or by calling 1-888-275-5737.

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

## H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30<sup>th</sup> was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulate that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million dollars per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate which totaled \$140,917 for the year ended June 30, 2018.

### Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$1,671,814. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in the financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

## I. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has been unable to obtain coverage for commercial property, inland marine, general liability, commercial auto, crime, school leaders' errors and omissions, and umbrella insurance at a cost it considered to be economically justifiable. For this reason, the District joined together with other school districts in the State to participate in the Kansas Educational Risk Management Pool, LLC (KERMP), a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to KERMP for its property, inland marine, general liability, automobile, crime, school leaders' errors and omissions, and umbrella insurance coverage. The agreement to participate provides that the KERMP will be self-sustaining through member premiums and will reinsure through commercial companies for excess claims. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERMP management. There have been no significant reductions in coverage from the prior year.

The District continues to carry commercial insurance for workers compensation. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

## J. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and State pass through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2018.

## K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 5, 2019, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:					
General	\$ 1,520,871	\$ (22,433)	\$ 1,498,438	\$ 1,493,831	\$ 4,607
Supplemental general	527,675	(2,963)	524,712	524,712	-
Special purpose funds:					
At-risk (4-year-old)	26,000	-	26,000	16,221	9,779
Driver training	10,205	-	10,205	-	10,205
At-risk (K-12)	134,201	-	134,201	134,140	61
Bilingual	14,000	-	14,000	7,524	6,476
Capital outlay	470,000	-	470,000	43,282	426,718
Special education	230,000	-	230,000	179,488	50,512
Food service	161,000	-	161,000	160,019	981
Career and postsecondary education	21,232	-	21,232	21,232	-
KPERS special retirement contributions	157,273	-	157,273	140,917	16,356
Recreation commission	32,500	-	32,500	32,500	-
Bond and interest fund:					
Bond and interest	150,390	-	150,390	149,390	1,000
	<u>3,455,347</u>	<u>(25,396)</u>	<u>3,429,951</u>	<u>2,903,256</u>	<u>526,695</u>
Related municipal entity:					
Fowler Recreation Commission:					
General	59,000	-	59,000	30,584	28,416
	<u>\$ 3,514,347</u>	<u>\$ (25,396)</u>	<u>\$ 3,488,951</u>	<u>\$ 2,933,840</u>	<u>\$ 555,111</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State sources:				
State aid	\$ 1,363,538	\$ 1,276,378	\$ 1,289,686	\$ (13,308)
Special education aid	110,922	114,344	128,711	(14,367)
KPERs aid	99,856	-	-	-
Mineral production tax	842	1,108	-	1,108
Extraordinary need state aid	-	101,946	101,946	-
Interest	1,789	55	-	55
Total receipts	<u>1,576,947</u>	<u>1,493,831</u>	<u>\$ 1,520,343</u>	<u>\$ (26,512)</u>
Expenditures:				
Instruction	807,726	654,754	\$ 709,171	\$ 54,417
Student support services	33,691	73,693	33,440	(40,253)
General administration	163,175	188,399	140,140	(48,259)
School administration	125,750	152,515	127,000	(25,515)
Central services	32	-	35	35
Operations and maintenance	123,285	104,610	123,370	18,760
Student transportation services:				
Vehicle operating services	15,407	14,764	15,414	650
Supervision	-	126	-	(126)
Other support services	-	-	595	595
Operating transfers	308,112	304,970	371,706	66,736
Adjustment to comply with legal maximum budget	-	-	(22,433)	(22,433)
Total expenditures	<u>1,577,178</u>	<u>1,493,831</u>	<u>\$ 1,498,438</u>	<u>\$ 4,607</u>
Receipts over (under) expenditures	(231)	-		
Unencumbered cash, beginning of year	<u>231</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**SUPPLEMENTAL GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	2018		Variance favorable (unfavorable)	
	2017	Actual		Budget
Receipts:				
Taxes:				
Ad valorem	\$ 488,511	\$ 493,973	\$ 459,627	\$ 34,346
Delinquent	2,400	3,461	5,073	(1,612)
Motor vehicle	27,477	26,183	29,660	(3,477)
Recreational vehicle	610	608	577	31
State sources:				
State aid	17,279	41,494	41,494	-
Transfer from contingency reserve	22,000	-	-	-
Total receipts	<u>558,277</u>	<u>565,719</u>	<u>\$ 536,431</u>	<u>\$ 29,288</u>
Expenditures:				
Instruction	119,213	126,725	\$ 217,225	\$ 90,500
Student support services	2,072	10,698	6,000	(4,698)
Instructional support staff	599	232	2,000	1,768
General administration	31,194	53,631	37,000	(16,631)
School administration	23,814	14,890	32,700	17,810
Operations and maintenance	240,290	178,026	206,750	28,724
Student transportation services:				
Vehicle operating services	77,770	15,133	17,000	1,867
Supervision	354	1,232	500	(732)
Vehicle and maintenance services	6,401	14,725	8,500	(6,225)
Operating transfers	76,198	109,420	-	(109,420)
Adjustment to comply with legal maximum budget	-	-	(2,963)	(2,963)
Total expenditures	<u>577,905</u>	<u>524,712</u>	<u>\$ 524,712</u>	<u>\$ -</u>
Receipts over (under) expenditures	(19,628)	41,007		
Unencumbered cash, beginning of year	14,488	377		
Prior year canceled encumbrances	<u>5,517</u>	<u>633</u>		
Unencumbered cash, end of year	<u>\$ 377</u>	<u>\$ 42,017</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

AT-RISK (4-YEAR-OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 13,500	\$ 14,000	<u>\$ 14,000</u>	<u>\$ -</u>
Expenditures:				
Instruction	<u>2,197</u>	<u>16,221</u>	<u>\$ 26,000</u>	<u>\$ 9,779</u>
Receipts over (under) expenditures	11,303	(2,221)		
Unencumbered cash, beginning of year	<u>2,050</u>	<u>13,353</u>		
Unencumbered cash, end of year	<u>\$ 13,353</u>	<u>\$ 11,132</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

DRIVER TRAINING FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 1,024	\$ 768	<u>\$ 840</u>	<u>\$ (72)</u>
Expenditures:				
Instruction	1,335	-	\$ 6,705	\$ 6,705
School administration	-	-	500	500
Vehicle operations and maintenance services	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>
Total expenditures	<u>1,335</u>	<u>-</u>	<u>\$ 10,205</u>	<u>\$ 10,205</u>
Receipts over (under) expenditures	(311)	768		
Unencumbered cash, beginning of year	<u>9,999</u>	<u>9,688</u>		
Unencumbered cash, end of year	<u>\$ 9,688</u>	<u>\$ 10,456</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

AT-RISK (K-12) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 48,000	\$ 62,000	\$ 89,474	\$ (27,474)
Transfer from supplemental general	-	48,000	-	48,000
Total receipts	48,000	110,000	<u>\$ 89,474</u>	<u>\$ 20,526</u>
Expenditures:				
Instruction	3,273	134,140	<u>\$ 134,201</u>	<u>\$ 61</u>
Receipts over (under) expenditures	44,727	(24,140)		
Unencumbered cash, beginning of year	-	44,727		
Unencumbered cash, end of year	<u>\$ 44,727</u>	<u>\$ 20,587</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**BILINGUAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Transfer from general	\$ 6,834	\$ 7,000	<u>\$ 7,000</u>	<u>\$ -</u>
Expenditures:				
Instruction	-	7,524	<u>\$ 14,000</u>	<u>\$ 6,476</u>
Receipts over (under) expenditures	6,834	(524)		
Unencumbered cash, beginning of year	<u>-</u>	<u>6,834</u>		
Unencumbered cash, end of year	<u>\$ 6,834</u>	<u>\$ 6,310</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 61,547	\$ 131,912	\$ 123,319	\$ 8,593
Delinquent	179	444	638	(194)
Motor vehicle	3,833	3,354	3,800	(446)
Recreational vehicle	77	78	74	4
Interest	-	2,498	-	2,498
Other	10,832	9,130	-	9,130
Total receipts	<u>76,468</u>	<u>147,416</u>	<u>\$ 127,831</u>	<u>\$ 19,585</u>
Expenditures:				
Instruction	43,047	4,550	\$ 100,000	\$ 95,450
Student support services	-	-	25,000	25,000
Operations and maintenance	-	3,000	100,000	97,000
Transportation	-	-	145,000	145,000
Facility acquisition and construction services	14,614	35,732	100,000	64,268
Total expenditures	<u>57,661</u>	<u>43,282</u>	<u>\$ 470,000</u>	<u>\$ 426,718</u>
Receipts over (under) expenditures	18,807	104,134		
Unencumbered cash, beginning of year	<u>390,912</u>	<u>409,719</u>		
Unencumbered cash, end of year	<u>\$ 409,719</u>	<u>\$ 513,853</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

SPECIAL EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ -	\$ 811	\$ -	\$ 811
Other	4,194	2,920	-	2,920
Transfer from general	110,922	156,293	200,000	(43,707)
Transfer from supplemental general	<u>10,194</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total receipts	125,310	180,024	<u>\$ 200,000</u>	<u>\$ (19,976)</u>
Expenditures:				
Instruction	<u>152,682</u>	<u>179,488</u>	<u>\$ 230,000</u>	<u>\$ 50,512</u>
Receipts over (under) expenditures	(27,372)	536		
Unencumbered cash, beginning of year	<u>69,698</u>	<u>42,326</u>		
Unencumbered cash, end of year	<u>\$ 42,326</u>	<u>\$ 42,862</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**FOOD SERVICE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Charges for services	\$ 29,866	\$ 35,133	\$ 30,374	\$ 4,759
Federal aid	63,912	61,707	52,324	9,383
State aid	874	797	747	50
Other	41	747	-	747
Transfer from general	-	44,845	40,000	4,845
Transfer from supplemental general	40,000	17,420	-	17,420
Total receipts	<u>134,693</u>	<u>160,649</u>	<u>\$ 123,445</u>	<u>\$ 37,204</u>
Expenditures:				
Operations and maintenance	72	153	\$ 5,000	\$ 4,847
Food service operations	153,109	159,866	156,000	(3,866)
Total expenditures	<u>153,181</u>	<u>160,019</u>	<u>\$ 161,000</u>	<u>\$ 981</u>
Receipts over (under) expenditures	(18,488)	630		
Unencumbered cash, beginning of year	<u>55,657</u>	<u>37,169</u>		
Unencumbered cash, end of year	<u>\$ 37,169</u>	<u>\$ 37,799</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

CAREER AND POSTSECONDARY EDUCATION

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Federal aid	\$ -	\$ 400	\$ -	\$ 400
Transfer from general	-	20,832	21,232	(400)
Total receipts	-	21,232	<u>\$ 21,232</u>	<u>\$ -</u>
Expenditures:				
Instruction	-	21,232	<u>\$ 21,232</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**KPERS SPECIAL RETIREMENT CONTRIBUTIONS FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State aid	\$ -	\$ 140,917	\$ 157,273	\$ (16,356)
Transfer from general	99,856	-	-	-
Total receipts	99,856	140,917	\$ 157,273	\$ (16,356)
Expenditures:				
Instruction	65,371	88,699	\$ 115,528	\$ 26,829
Student support services	2,106	6,044	3,200	(2,844)
General administration	10,915	15,874	6,464	(9,410)
School administration	8,700	13,842	13,410	(432)
Operations and maintenance	8,128	9,671	9,137	(534)
Student transportation services	1,254	1,537	3,250	1,713
Food service operations	3,382	5,250	6,284	1,034
Total expenditures	99,856	140,917	\$ 157,273	\$ 16,356
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		Variance favorable (unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem	\$ 30,689	\$ 33,557	\$ 31,243	\$ 2,314
Delinquent	171	221	319	(98)
Motor vehicle	1,913	1,669	1,892	(223)
Recreational vehicle	38	38	37	1
Other	20	75	-	75
Total receipts	<u>32,831</u>	<u>35,560</u>	<u>\$ 33,491</u>	<u>\$ 2,069</u>
Expenditures:				
Community service operations	<u>34,000</u>	<u>32,500</u>	<u>\$ 32,500</u>	<u>\$ -</u>
Receipts over (under) expenditures	(1,169)	3,060		
Unencumbered cash, beginning of year	<u>3,197</u>	<u>2,028</u>		
Unencumbered cash, end of year	<u>\$ 2,028</u>	<u>\$ 5,088</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended June 30, 2018

	21st century community learning	Gifts and grants	Title I
Receipts:			
Federal aid	\$ 71,016	\$ -	\$ 20,455
Other	-	495	-
Transfer from supplemental general	-	-	-
	<u>71,016</u>	<u>495</u>	<u>20,455</u>
Total receipts			
Expenditures:			
Instruction	54,124	-	20,455
Vehicle operating services	-	-	-
	<u>54,124</u>	<u>-</u>	<u>20,455</u>
Total expenditures			
Receipts over (under) expenditures	16,892	495	-
Unencumbered cash, beginning of year	-	2,563	-
	<u>-</u>	<u>2,563</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ 16,892</u>	<u>\$ 3,058</u>	<u>\$ -</u>

See Independent Auditor's Report.

Schedule 2-13

Title IIA teacher quality	Title IV safe & drug free	REAP	Contingency reserve	Textbook and student material	Total
\$ 3,294	\$ 607	\$ 41,893	\$ -	\$ -	\$ 137,265
-	-	-	-	8,613	9,108
-	-	-	-	24,000	24,000
<u>3,294</u>	<u>607</u>	<u>41,893</u>	<u>-</u>	<u>32,613</u>	<u>170,373</u>
3,294	607	41,893	-	37,659	158,032
-	-	-	38,690	-	38,690
<u>3,294</u>	<u>607</u>	<u>41,893</u>	<u>38,690</u>	<u>37,659</u>	<u>196,722</u>
-	-	-	(38,690)	(5,046)	(26,349)
-	-	-	248,209	5,756	256,528
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,519</u>	<u>\$ 710</u>	<u>\$ 230,179</u>

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**BOND AND INTEREST FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	2017	2018		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 133,669	\$ 148,338	\$ 137,988	\$ 10,350
Delinquent	840	976	1,387	(411)
Motor vehicle	9,026	7,384	8,449	(1,065)
Recreational vehicle	199	173	165	8
Other	4,012	-	-	-
Total receipts	<u>147,746</u>	<u>156,871</u>	<u>\$ 147,989</u>	<u>\$ 8,882</u>
Expenditures:				
Debt service:				
Principal	75,000	100,000	\$ 100,000	\$ -
Interest	52,882	49,390	49,390	-
Bond fees	-	-	1,000	1,000
Total expenditures	<u>127,882</u>	<u>149,390</u>	<u>\$ 150,390</u>	<u>\$ 1,000</u>
Receipts over (under) expenditures	19,864	7,481		
Unencumbered cash, beginning of year	<u>153,432</u>	<u>173,296</u>		
Unencumbered cash, end of year	<u>\$ 173,296</u>	<u>\$ 180,777</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**DISTRICT ACTIVITY FUNDS**

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended June 30, 2018

Fund	Beginning unencumbered cash balance (deficit)	Receipts	Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
<b>Gate receipts:</b>						
Activities	\$ (11,897)	\$ 5,225	\$ 9,268	\$ (15,940)	\$ -	\$ (15,940)
Substate tournament	-	5,931	5,040	891	-	891
Black and Gold tournament	2,788	3,276	2,025	4,039	-	4,039
Gates	1,783	1,509	1,889	1,403	-	1,403
<b>Total gate receipts</b>	<b>(7,326)</b>	<b>15,941</b>	<b>18,222</b>	<b>(9,607)</b>	<b>-</b>	<b>(9,607)</b>
<b>High school projects:</b>						
Enrollment - elementary	734	-	734	-	-	-
Device insurance	1,375	-	1,375	-	-	-
Meals - students	2,469	-	2,328	141	-	141
Jackets	11	167	10	168	-	168
College classes	-	340	340	-	-	-
Yearbook	2,360	2,473	4,833	-	-	-
JH technology	1,727	-	-	1,727	-	1,727
Science room fundraiser	564	-	-	564	-	564
Miscellaneous	773	728	1,145	356	-	356
Field trips and student paid activities	654	-	-	654	-	654
Math contest	-	2,066	1,601	465	-	465
<b>Total high school projects</b>	<b>10,667</b>	<b>5,774</b>	<b>12,366</b>	<b>4,075</b>	<b>-</b>	<b>4,075</b>
<b>Grade school projects:</b>						
Meals	-	16,409	14,390	2,019	-	2,019
MS/HS meals	-	5,602	5,029	573	-	573
Adults and guests	-	341	341	-	-	-
Adults - summer food program	-	70	20	50	-	50
Pre K snacks	-	687	574	113	-	113
Pre K out of district tuition	-	2,250	1,750	500	-	500
Device insurance	60	2,020	2,070	10	-	10
Miscellaneous	679	166	49	796	-	796
Jump for heart	18	332	331	19	-	19
Lifetouch commission	1,853	17	17	1,853	-	1,853
Field trip	507	7,652	3,067	5,092	-	5,092
Donations/school supplies	122	6	-	128	-	128
Returned check fees	2	-	-	2	-	2
GS library books	2,303	2,042	1,869	2,476	-	2,476
Student apparel/shirts	-	18	18	-	-	-
Yearbook	-	635	635	-	-	-
Vending sales	81	-	-	81	-	81
Music sales	58	2	-	60	-	60
<b>Total grade school projects</b>	<b>5,683</b>	<b>38,249</b>	<b>30,160</b>	<b>13,772</b>	<b>-</b>	<b>13,772</b>
<b>Total school projects</b>	<b>16,350</b>	<b>44,023</b>	<b>42,526</b>	<b>17,847</b>	<b>-</b>	<b>17,847</b>
<b>Total district activity funds</b>	<b>\$ 9,024</b>	<b>\$ 59,964</b>	<b>\$ 60,748</b>	<b>\$ 8,240</b>	<b>\$ -</b>	<b>\$ 8,240</b>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS

For the Year Ended June 30, 2018

<u>Fund</u>	Beginning cash balance (deficit)	Receipts	Disbursements	Ending cash balance
Student organization funds:				
Football-HS	\$ 135	\$ 1,614	\$ 1,480	\$ 269
Football-JH	-	270	270	-
Volleyball-HS	402	1,878	1,910	370
Volleyball-JH	59	90	90	59
Basketball-HS	1,104	811	779	1,136
Basketball-JH	53	861	862	52
Track-HS	6	787	787	6
Track-JH	-	220	220	-
Cross country track	-	570	570	-
Quiz bowl-JH	153	315	315	153
Speech/drama/Junior/senior play	1,407	-	658	749
STUCO	1,035	1,400	1,674	761
JH stuco	-	223	168	55
PBL	450	680	1,130	-
Youth entrepreneurs	-	175	175	-
HS cheerleading	2,046	2,833	3,037	1,842
JH cheerleading	42	-	-	42
Trap shooting	490	8,974	6,140	3,324
Fellowship of Christian Athletes	604	-	-	604
FFA	-	8,120	6,227	1,893
FBLA	2,073	848	1,379	1,542
Class of 15	88	-	-	88
Class of 16	103	-	-	103
Class of 17	407	-	-	407
Class of 18	5,396	14,110	18,914	592
Class of 19	1,112	13,067	13,465	714
Music-vocal	2,703	-	120	2,583
Music-band-HS	90	320	311	99
	<u>19,958</u>	<u>58,166</u>	<u>60,681</u>	<u>17,443</u>
Total student organization funds				
Clearing funds:				
Sales tax-HS	(1,494)	6,689	5,124	71
Sales tax-GS	16	-	-	16
	<u>(1,478)</u>	<u>6,689</u>	<u>5,124</u>	<u>87</u>
Total clearing funds				
Total agency funds	<u>\$ 18,480</u>	<u>\$ 64,855</u>	<u>\$ 65,805</u>	<u>\$ 17,530</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 225  
FOWLER, KANSAS**

**FOWLER RECREATION COMMISSION  
(A RELATED MUNICIPAL ENTITY)**

**GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended June 30, 2018  
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Appropriation from Unified School District No. 225	\$ 34,000	\$ 32,500	\$ 42,028	\$ (9,528)
Miscellaneous	-	3,202	-	3,202
Total receipts	<u>34,000</u>	<u>35,702</u>	<u>\$ 42,028</u>	<u>\$ (6,326)</u>
Expenditures:				
Salaries	6,260	4,509	\$ 9,000	\$ 4,491
Community service operations	15,400	26,075	50,000	23,925
Total expenditures	<u>21,660</u>	<u>30,584</u>	<u>\$ 59,000</u>	<u>\$ 28,416</u>
Receipts over (under) expenditures	12,340	5,118		
Unencumbered cash, beginning of year	<u>15,030</u>	<u>27,370</u>		
Unencumbered cash, end of year	<u>\$ 27,370</u>	<u>\$ 32,488</u>		

See Independent Auditor's Report.